

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. NO.: 3078-01
BILL NO.: HB 1177
SUBJECT: Telecommunications; Merchandising Practices
TYPE: Original
DATE: January 7, 2000

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
None	\$0	\$0	\$0
Total Estimated Net Effect on <u>All</u> State Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
None	\$0	\$0	\$0
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
Local Government	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses
This fiscal note contains 3 pages.

FISCAL ANALYSIS

MLW:LR:OD:005 (9-94)

ASSUMPTION

Officials from the **Office of the Attorney General (AGO)** assume the proposal would result in additional consumer complaints, but stated costs could be absorbed with existing resources.

Officials from the **Office of State Courts Administrator (CTS)** were unable to provide an estimate of the fiscal impact of the proposal, due to the vagueness of exactly how the bill would be implemented. Also, CTS stated violators are subject to a fine of \$500 for each transmission. **Oversight** assumes any additional costs could be absorbed with existing resources.

Officials from the **Department of Economic Development-Public Service Commission (PSC), Department of Economic Development-Office of Public Counsel (OPC), Department of Revenue (DOR), Department of Public Safety-Director's Office (DPS), Department of Public Safety-Missouri State Highway Patrol (MHP), Office of Prosecution Services (OPS)** and the **Office of State Public Defender (SPD)** assume the proposed legislation would have no fiscal impact on their agencies.

<u>FISCAL IMPACT - State Government</u>	FY 2001 (10 Mo.)	FY 2002	FY 2003
	0	0	0
<u>FISCAL IMPACT - Local Government</u>	FY 2001 (10 Mo.)	FY 2002	FY 2003
	0	0	0

FISCAL IMPACT - Small Business

Small businesses which use electronic media direct-mail advertising would be expected to be affected by this proposal.

DESCRIPTION

The proposed legislation would prohibit faxing or e-mailing unsolicited advertisements for goods or services unless the fax or e-mail includes a statement informing the recipient of a toll-free telephone number which recipients can call to notify the sender not to send further unsolicited documents. E-mails may alternatively provide a valid sender-operated return e-mail address for

DESCRIPTION (Continued)

recipients to notify senders not to send further unsolicited documents. Once notified not to send unsolicited documents, senders will be subject to a \$500 fine for each unsolicited transmission. E-mails exempt from the bill's provisions are those addressed to recipients with whom the initiator has an existing business or personal relationship and those sent at the request or with the express consent of the recipient.

Unsolicited advertising e-mails must include in the subject line the letters "ADV:" as the first four characters; for adult material, the subject line must include the letters "ADV: ADLT" as the first eight characters. The bill also allows an employer to make a notification to senders on behalf of employees using employer-provided and employer-controlled e-mail addresses. The provisions of the bill will become inoperative on and after the date of enactment of federal law that regulates the transmission of unsolicited advertising by e-mail.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

This proposal would not affect Total State Revenues.

SOURCES OF INFORMATION

Office of the Attorney General
Office of State Courts Administrator
Department of Economic Development-Public Service Commission
Department of Economic Development-Office of Public Counsel
Department of Revenue
Department of Public Safety-Director's Office
Department of Public Safety-Missouri State Highway Patrol
Office of Prosecution Services
Office of State Public Defender



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Director
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